

Item # _____

Prepared by: Gaye Davis/Lee Hinson

Approved by: _____

RESOLUTION APPROVING AN EXTENSION TO THE OPTION AGREEMENT WITH METAL MANAGEMENT MEMPHIS, LLC FOR POSSIBLE LEASE OF CERTAIN PROPERTY IN PIDGEON INDUSTRIAL PARK, AS APPROVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION ON JULY 22, 2009. THIS RESOLUTION SPONSORED BY COMMISSIONER DEIDRE MALONE.

WHEREAS, Metal Management Memphis, LLC and the Memphis and Shelby County Port Commission entered into an Option Agreement dated August 15, 2008 providing that Metal Management Memphis, LLC would have an option for a period of one year to lease certain real property of the Memphis and Shelby County Port Commission as defined in said Agreement.

WHEREAS, Metal Management Memphis, LLC has requested the option be extended as shown herein below.

WHEREAS, That this proposed extension is in the best interests of the Memphis and Shelby County Port Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, On recommendation of the Memphis and Shelby County Port Commission, that the Option Agreement with Metal Management Memphis, LLC be and hereby is extended as follows:

Metal Management Memphis, LLC shall pay to the Memphis and Shelby County Port Commission beginning August 15, 2009, \$6,671.00 per month and a like amount each month thereafter until the earlier of (i) August 15, 2011, or (ii) the failure of the parties to obtain a special use permit allowing Metal Management Memphis,

LLC the uses provided for in the Option Agreement, or (iii) the exercise of this Option Agreement by Metal Management Memphis, LLC after which payment shall be made in accordance with the Option Agreement.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute same.

BE IT FURTHER RESOLVED, That this action is subject to concurrence by City of Memphis.

A C Wharton, Jr.
County Mayor

Date_____

Attest:

Clerk of County Commission

ADOPTED_____

SUMMARY SHEET

- I. **Description of Item :** Metal Management Memphis, LLC asked that the Memphis and Shelby County Port Commission enter into an Option Agreement providing that Metal Management Memphis, LLC would have the right to lease certain real property in the Pidgeon Industrial Park for twenty-five (25) years with two five (5) year renewals. The Option was approved by City Council in September 2008 and by County Commission in October 2008. The term of the option was for one year from August 15, 2008. The extension to the Option is also for a one-year period and will begin August 15, 2009. The same payment, of \$6,671.00, will be made monthly to the Port Commission during the one year extension.

- II. **Source and Amount of Funding**

This is an Option Extension Agreement for a one-year extension to the Option Agreement with Metal Management Memphis, LLC for the right to lease Port Commission property. The "Optionee" will pay the Port Commission, "Optionor", \$6,671.00 per month for term of the option extension or until it is determined the Optionee is unable to obtain a special use permit for uses stated in the Exhibit A or until the Optionee exercises the option.

- III. **Contract Items**
 - A. Type of Contract: Option Extension Agreement providing a one-year extension to the Option Agreement for right to lease certain real property in Pidgeon Industrial Park.
 - B. Terms: The extension is for a one-year period.

- IV. **Additional Information Relevant to approval of this item**